

California Department of Social Services

2010-2011 Budget Facts

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GOVERNOR ARNOLD SCHWARZENEGGER

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***CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
BUDGET FACTS – PROPOSED BUDGET
FISCAL YEAR 2010-2011***

The California Department of Social Services (CDSS) provides aid, service and protection to children and adults in need of assistance. CDSS programs are aimed at promoting the well-being of children, strengthening families and helping adults and parents achieve their potential for economic self-sufficiency and independence.

The Governor's 2010-2011 proposed budget includes \$17.1 billion total funds (\$6.8 billion General Fund (GF)) for CDSS, a decrease of \$4.2 billion total funds (\$1.8 billion GF) from the revised 2009-2010 budget.

The Governor's 2010-2011 proposed budget includes reductions in the In-Home Supportive Services (IHSS) program, California Work Opportunity and Responsibility to Kids (CalWORKs) program, and Child Welfare Services. It also includes elimination of certain programs such as the California Food Assistance Program and the Cash Assistance Program for Immigrants (CAPI).

The Budget Includes:

- Caseload Increase
 - The Governor's 2010-2011 proposed budget includes a GF increase of approximately \$67 million resulting from increased caseload in the Food Stamps Program (FSP).
- Expanded Categorical Eligibility for Food Stamps Program
 - The Governor's 2010-2011 proposed budget assumes expansion of a new eligibility standard for food stamps. Known as Modified Categorical Eligibility (MCE), MCE would allow county eligibility workers to approve food stamp benefits for families without regard to assets.
 - It is estimated that approximately 45,167 additional families will be served because of the new MCE standard.
 - Funding for this expansion comes from surplus federal reimbursements from the Food Stamp Nutrition Education program.
- Food Stamp Program Benefits Restoration Waiver
 - The Governor's 2010-2011 proposed budget allows (FSP) recipients whose benefits have been terminated to have their eligibility restored without the need for a new application if the reason for termination is "cured" at any time in the month following the termination.
 - Previously, these households would have been required to complete a new application. This will make it easier for recipients to continue to participate in the FSP as well as streamline the benefit reactivation process for county eligibility staff.

- American Recovery and Reinvestment Act (ARRA) On-line Enhancements for Food Stamps
 - The Governor's 2010-2011 proposed budget assumes \$5.2 million GF in FY 2009-10 and \$3.6 million GF in 2010-2011 for administrative efficiencies and enhancement of the on-line application for food stamps.
 - A trade-out of GF food stamp administration dollars with ARRA food stamp dollars extended the amount of time the automation consortia have to complete their projects by moving the deadline.
 - Funding is being used for the following projects:
 - Development or continued enhancement of the on-line food stamp applications in the three Statewide Automated Welfare System (SAWS) consortia.
 - Document imaging for the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) system.
 - Development or enhancement of interactive voice response systems in two SAWS consortia.

Itemized Reductions/Fund Shifts:

- Proposition 10 Redirection
 - The Governor's 2010-2011 proposed budget redirects \$350 million raised by tobacco taxes pursuant to Proposition 10 from the First Five Commission to fund certain social services programs. Funds can only be used for services intended for children age five and under.
 - Implementation of this proposal would require passage of a voter initiative.
 - Funding shift would be directed as follows:
 - CalWORKs Child Care - \$73 million
 - KinGAP (guardianship assistance) - \$29 million
 - Foster Care and Adoption Assistance Program - \$60 million
 - Supplemental Security Income/State Supplementary Payment (SSI/SSP) - \$65 million
 - Foster Care Administration - \$7 million
 - Child Welfare Services - \$39 million
 - Adoptions - \$35 million
 - Title IV-E waiver counties Child Welfare Services and Foster Care - \$42 million.
 - This proposal would become effective July 1, 2010.

- Redirection of County Savings From Various Proposals
 - The Governor's 2010-2011 proposed budget assumes savings of \$505.5 million GF by requiring counties to use the savings associated with the IHSS service reduction, extension of ARRA for foster care, CalWORKs grant reduction, and elimination of the Recent Non-Citizen program to pay for an increased portion of the non-federal costs for foster care, Adoption Assistance Program and Child Welfare Services.
 - Savings would break down as follows:
 - Foster Care - \$93.2 million
 - Adoption Assistance Program - \$154.5 million
 - Child Welfare Services - \$257.8 million
 - Recipients of these programs will see no service reduction.
 - This proposal would become effective July 1, 2010.

- California Food Assistance Program (CFAP)
 - The Governor's 2010-2011 proposed budget assumes savings of \$56.2 million GF by eliminating the CFAP.
 - The CFAP provides food assistance benefits to legal non-citizens who are not eligible for the food stamps program solely due to their immigration status.
 - Approximately 37,000 recipients will lose eligibility.
 - This proposal would become effective 90 days from enactment of the budget (assumed March 1, 2010 enactment, June 1, 2010 implementation).

Trigger Reductions:

- The Governor's 2010-2011 proposed budget anticipates receipt of flexibilities and \$6.9 billion in additional resources from the federal government. If these flexibilities and resources are not provided, California will have to make additional reductions and program eliminations to live within available resources, including \$1.9 billion funding for CDSS programs.
 - Elimination of CalWORKs (\$1.044 billion) – 1.34 million people would no longer have access to the cash aid and services, including employment services and child care, provided through this program.
 - Elimination of In-Home Supportive Services Program (\$495 million) – This program provides in-home assistance to low-income adults who are over 65 years of age, blind, or disabled, and to children who are blind or disabled.
 - Elimination of the Transitional Housing for Foster Youth Plus Program (\$36 million) – This program provides up to 24 months of support for emancipated foster youth between the ages of 18 and 24 to transition from the child welfare system to self-sufficiency.

- Redirect County Savings (\$325 million) – The above reductions and eliminations would generate \$325 million in county savings as the counties have a share of cost in some of these programs, most notably IHSS. These savings would be re-directed to pay for a portion of the cost of Food Stamp Administration, resulting in a commensurate amount of General Fund savings.

CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS
(CalWORKs)

- CalWORKs, California's version of the federal Temporary Assistance for Needy Families (TANF) program provides cash aid and services to help people meet basic needs such as housing and food.
- CalWORKs is intended to provide temporary assistance to help families become self-sufficient. It encourages work for those on aid by providing education, employment training, child care, transportation, work expenses and counseling for families.
- The CalWORKs program is funded with federal TANF dollars and state Maintenance of Effort dollars. The Governor's 2010-2011 proposed budget appropriates \$5.3 billion for the CalWORKs program (total funds).
- "Work activities" include: unsubsidized and subsidized employment, community service, adult basic education, vocational educational training, job search/job readiness assistance, etc.
- Single-parent families in CalWORKs are required to participate in work activities 32 hours per week, each month. Two-parent families are required to participate 35 hours per week, each month, with one parent participating for at least 20 hours per week.
- The federal government requires that 50 percent of eligible recipients meet work requirements. Based on the most current data, only 22 percent of CalWORKs eligible recipients are meeting federal work requirements. The federal government includes monetary sanctions for states who do not meet the work requirement. In federal fiscal year 2007, California faced an approximate \$150 million sanction.
- However, the State of California was informed in October 2009 that the penalty would be zero, primarily because the number of individuals engaged in work jumped dramatically for California between 2006 and 2007.
- CalWORKs currently serves approximately 1.34 million people (545,730 cases) based on the most recent data available. It is projected that in fiscal year 2010-2011, CalWORKs will serve 1.41 million people (576,400 cases).
- CalWORKs grant maximums are based on where a family lives. If a family is living in a high-cost county (Region 1), the maximum grant for a family of three is \$694. Region 1 counties are: Alameda, Contra Costa, Los Angeles, Marin, Monterey, Napa, Orange, San Diego, San Francisco, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Sonoma, Solano, and Ventura.
- If a family lives in a low-cost county (Region 2), the maximum grant for a family of three is \$661.

- A typical family of three lives in a Region 1 county.
- Approximately 258,000 (47 percent) of CalWORKs cases receive full family grants. This group has been in the CalWORKs program fewer than five years and is following program rules. The maximum grant for a typical family of three in this group is \$694 per month.
- Approximately 190,000 cases (35 percent) of CalWORKs cases are considered “child-only,” meaning, the family includes a non-eligible adult (undocumented noncitizen, certain felons, children of disability benefits (SSI/SSP) recipients, and non-needy caretakers).
- The majority of “child-only” cases are for citizen children of undocumented adults (52 percent), children of non-needy caretakers (19 percent) and children of SSI/SSP recipients (21 percent).
- Approximately 49,000 (9 percent) of CalWORKs cases have been sanctioned for failing to participate in work activities, meaning their grants were reduced. For a typical family of three the maximum grant of \$694 would be reduced by \$133 per month (the adult portion of the grant) to \$561 per month.
- Approximately 49,000 cases (9 percent) of CalWORKs cases with a work-eligible adult receive a reduced level of assistance known as a “safety net” grant because the adult has been on aid longer than five years. Currently, a Safety Net family can receive aid for the eligible children until the children reach 18 years of age or until the family income is too high to qualify for aid. For a typical family of three the maximum grant of \$694 would be reduced by \$133 per month (the adult portion of the grant). As of January 2008, California was one of 11 states nationwide to continue to provide aid to children through a Safety Net program.

2009-2010 BUDGET RECAP:

The 2009-2010 budget included a number of changes to the CalWORKs program that become effective in the 2011-2012 fiscal year. Below is an explanation.

2011-2012 BUDGET CHANGES:

- Self-Sufficiency Reviews – Effective July 1, 2011.
 - Given the five-year time limit on aid for the adult in the household, it is critical to ensure families are meeting work requirements and that child-only families are being provided information to help the family reduce their dependency on public assistance.
 - Self-Sufficiency Reviews would focus on families with adults who are not currently meeting work requirements as well as families in the child-only category where the adult is not eligible for benefits. California counties would conduct the six-month Self-Sufficiency Reviews.

- The Self-Sufficiency Reviews will assess what services or resources might be necessary to help adults increase their work participation hours or remove barriers that might prevent them from working and/or participating in work activities. The Reviews will also help child-only families to assess their situation and needs, and identify any resources or services that could help them reduce their dependence on public assistance.
- Failure to attend the Self-Sufficiency Reviews without good cause would result in a 50 percent reduction in the family's CalWORKs grant.
- This is a new requirement and does not have a sunset date.
- Self-Sufficiency Reviews do not apply to adults fully meeting work requirements or adults who are exempt from work requirements.
- CalWORKs Time Limit – Effective July 1, 2011.
 - Mirroring the TANF federal law, CalWORKs allows an adult a total maximum time on aid of 60 months (5 years). With the approved changes, the adult would receive CalWORKs up to 48 cumulative months (4 years). When the adult reaches 48 cumulative months, the adult portion of the grant would be reduced for a 12 month "sit out" period and the children would go into the Safety Net program. After this 12 month "sit out" period in the Safety Net, the adult if otherwise eligible, is added back to the family grant for the remaining 12 months for the adult's 60 month time limit.
 - Example: A typical family of three (a mom and two children over the age of 6). The mom goes to school part-time and works part-time. She's fully meeting work requirements (more than 32 hours of work or work-related – such as education – activities). She's in the program for 4 years and is not done with school and does not have sufficient income to leave CalWORKs. After 4 years, even though she's meeting work requirements, her portion of the grant is removed for 12 months. She continues to receive the children's grant. After the 12 month "sit out" period, her grant is reinstated. If at the end of the adult's 5 years on CalWORKs, she's still not making enough money, the family is moved to the Safety Net where only the children's portion of the grant is received by the family.
 - There are now new Safety Net rules that apply. For adults not exempted from work requirements, they must meet work participation requirements to receive the full Safety Net grant. If the adult fails to meet the work participation requirements, the child-only grant is reduced by 25 percent. If the adult is still not meeting work requirements after three cumulative months, an additional 25 percent grant reduction will take effect.

- Graduated Sanctions – Effective July 1, 2011.
 - Sanction months now count toward the CalWORKs 60 month time limit for cash assistance. Previously, once sanctioned the clock stopped.
 - If an individual is not complying with work requirements and the adult portion of the grant has already been removed from the grant, the family's grant would be reduced by an additional 25 percent. If the individual remains noncompliant, the sanction would grow to 50 percent of the child-only grant.
 - The sanctions would be imposed by steps:
 - Step 1 – If adult is not meeting work requirements for 3 cumulative months, the adult portion of the grant is removed.
 - Step 2 – If adult is not meeting work requirement for an additional 3 cumulative months (6 total months), 25 percent of the child-only grant is removed.
 - Step 3 – If adult is not meeting work requirements for an additional 3 cumulative months (9 total months), an additional 25 percent (for a total grant reduction of 50 percent) of the child-only grant is removed.
 - Within 30 days after step 1 and step 2, the county will do a review of the family's situation to try and remediate any barriers to participation.
 - Child Only Cases
 - A 60 month time limit and sanctions now apply to child only cases as well.
 - For non-work-eligible adults (undocumented, certain felons, SSI/SSP recipients, non-needy caretakers), the maximum aid is 100 percent of the child-only grant, if they meet work requirements after 60 months on aid. If, however, the recipient chooses not to participate when services have been offered by the county, then the stages outlined above apply. If no services are available, child-only families will be eligible for 75 percent of the child-only grant after 60 months on aid.

2010-2011 BUDGET INCLUDES:

- Caseload Increase
 - The Governor's 2010-2011 proposed budget includes an increase of approximately \$500 million primarily resulting from increased caseload.

- Continued ARRA Funding
 - The Governor's 2010-2011 proposed budget assumes continued American Recovery and Reinvestment Act funding for increased basic assistance costs through 2010-2011 for the Temporary Assistance for Needy Families program. Under the assumption, a \$538 million GF savings is included.
- CalWORKs 15.7 Percent Grant Reduction
 - The Governor's 2010-2011 budget proposes savings of \$589.5 million GF by reducing grants for all CalWORKs recipients by 15.7 percent.
 - The \$585 grant level is the average grant level of the ten states in the nation with the highest rent prices for low income households.
 - The proposal would reduce the maximum monthly cash grant for a typical family of three from \$694 to \$585 per month.
 - This proposal would become effective 90 days after enactment of the budget (assumed March 1, 2010, June 1, 2010 implementation).
- Eliminate the Recent Noncitizen Entrants (RNE) Program
 - The Governor's 2010-2011 proposed budget assumes savings of \$55.4 million GF by eliminating the RNE program.
 - RNE recipients would otherwise be eligible for CalWORKs benefits but due to their recent entry into the United States, they are barred.
 - Approximately 24,000 recipients will lose eligibility.
 - Currently, 23 other states provide a state-funded program such as RNE.
 - The proposal will not eliminate CalWORKs eligibility for undocumented non-citizens victims of human trafficking, domestic violence, and other serious crimes (SB 1569).
 - This proposal would become effective 90 days after enactment of the budget (assumed March 1, 2010, June 1, 2010 implementation).

Note: Differences in numbers included in other budget documents are attributable to four things:

- The order in which the reductions occur,
- Interactions among the various reductions,
- The point at which ARRA funds are accounted for, and
- Finally, the impact on budgets in other departments is not included in this budget summary.

CHILD CARE

- CalWORKs child care programs provide subsidized child care services for recipients who are engaged in welfare-to-work activities. It is a three-stage system that is administered by the CDSS and the California Department of Education (CDE).
- Stage 1 is administered by CDSS through county welfare departments. CalWORKs recipients receive services in Stage 1 upon entry into the program and until the county determines that the recipient is stable or when recipients are transitioning off aid.
- Stages 2 and 3 are administered by CDE through contracts with alternative payment programs. An Alternative Payment Program (AAP) is a non-profit agency that has a contract with CDE to provide child care subsidies to CalWORKs Stages 2 and 3 and other working poor families throughout California.
- A CalWORKs recipient is automatically deemed eligible for Stage 1 child care. A CalWORKs recipient qualifies for Stage 2 child care for up to 24 months after they stop receiving cash aid and must meet age and income requirements (income less than 75 percent of the state median income, child is under age 13).
- Stage 3 child care was created to provide continuing services for former CalWORKs recipients who have reached the end of their 24-month limit after leaving cash aid.
- In the 2010-2011 fiscal year, it is estimated that 63,678 children will be receiving services in Stage 1 child care, 62,529 will be in Stage 2, and 54,782 will be in Stage 3.
- In fiscal year 2009-2010, all three stages of the CalWORKs child care program are projected to be funded by \$1.4 billion total funds (\$603 million GF). Stage 1 child care is funded by TANF federal funds and state MOE. Stage 2 and 3 are a mix of federal Child Care and Development funds and state GF (Proposition 98 funds).

2010-2011 PROPOSED BUDGET INCLUDES:

- Reduce Child Care Payments from the 85th Percentile to the 75th Percentile
 - The Governor's 2010-2011 proposed budget assumes savings of \$14.7 million GF by reducing the reimbursement ceiling for subsidized child care from the current 85th percentile to 75th percentile in accordance with federal guidelines.
 - Federal regulations require that states conduct a biennial local market rate survey of private child care providers to ensure that low-income families receiving a child care subsidy have equal access to a number and variety of providers as well as validate that subsidy payments do not exceed private pay rates.
 - CDE is responsible for conducting the market rate survey.
 - This proposal brings California's reimbursement rates in-line with other large states.

- Eight of the 10 most populous states have reimbursement ceilings at or below the 75th percentile.
 - Subsidized families will continue to have the full range of available providers to choose from. However, if the provider of their choice charges above the reimbursement ceiling, the family may incur a co-payment.
 - This proposal would become effective July 1, 2010.
- Reduce License-Exempt Child Care Reimbursement Ceiling
 - The Governor's 2010-2011 proposed budget assumes savings of \$117.2 million GF by reducing the reimbursement ceiling for license-exempt providers from 90 percent to 70 percent of the Family Child Care Home ceilings.
 - There are two types of child care providers, licensed providers and licensed-exempt providers.
 - Licensed providers must meet certain requirement for licensure and are monitored by CDSS Community Care Licensing Division. License-exempt providers can be family, friends, and/or neighbors of the CalWORKs recipient and do not have the same overhead costs as licensed child care providers.
 - Approximately 55 percent of child care services in Stage 1 child care are provided by license-exempt providers.
 - Subsidized families will continue to have the full range of available providers to choose from. However, if the provider of their choice charges above the reimbursement ceiling, the family may incur a co-payment.
 - This proposal would become effective July 1, 2010.
- Stage 3 Child Care Funding Reduction
 - The Governor's 2010-2011 proposed budget assumes savings of \$122.9 million GF which will be reflected in the Prop. 98 funding for CDE by reducing Stage 3 child care funding.
 - With the reduction, funding for Stage 3 child care would be \$261.8 million.
 - The proposal guarantees recipients' subsidy for child care until they complete their 24 months of care after leaving cash aid.
 - This proposal would become effective July 1, 2010.

IN-HOME SUPPORTIVE SERVICES

- In-Home Supportive Services (IHSS) provides in-home assistance to low-income adults who are over 65 years of age, blind or disabled, and to children who are blind or disabled. IHSS providers perform household tasks, personal care services and paramedical services that enable recipients to live independently.
- The IHSS program is funded 61 percent federal funds, 25 percent GF, and 14 percent county funds. A small portion (2 percent) of IHSS-eligible recipients are not eligible for federal reimbursement, those costs are split 65 state, 35 percent counties. With the proposed IHSS reductions, the 2010-2011 proposed budget includes \$2.14 billion for the IHSS program (\$715.5 million GF).
- Without the proposed IHSS reductions, in fiscal year 2009-2010, IHSS is projected to serve approximately 460,041 recipients. In fiscal year 2010-2011, the IHSS program is projected to increase to 489,972 recipients (an increase of 6.5 percent) served by 385,074 IHSS providers.
- Nearly 60 percent of IHSS providers are family members of recipients, 48 percent live in the recipient's home. Providers are paid an hourly wage ranging from \$8 to \$12.35, depending on the county.
- IHSS helps individuals with tasks in two broad categories, "non-medical" supports and "domestic and related services."
 - "Non-medical" services include feeding, assisting with walking or moving in the home or to the car, bathing, getting in and out of the shower, hair care, shaving, grooming, bed baths, dressing, medication assistance, toileting, promoting circulation, assistance with oxygen and protective supervision to ensure recipients are not harming themselves.
 - "Domestic and related services" include cleaning, dusting, changing linens, changing light bulbs, taking out garbage, doing laundry, grocery shopping, planning menus, preparing food, setting a table and washing and putting dishes away.
- The base of the IHSS program's assessment and eligibility process is the Uniform Assessment Process. This process is used by county social workers on all IHSS recipients to determine or annually re-determine an individual's need for services based on their functioning across a spectrum of average daily activities. Based on that assessment of functioning, services are identified to meet the individuals' need and authorized hours are provided based on their functional rankings.

2009-2010 BUDGET RECAP:

- Timecard Improvements – Effective July 1, 2011.
 - Currently, timecards require only a signature. Under the 2009-2010 enacted budget, a signature on a timecard will indicate that civil penalties may apply if the information on the timecard is not true and correct. Timesheets will include the index fingerprints of both providers and recipients.

2010-2011 PROPOSED BUDGET INCLUDES:

- Reduce State Participation in Provider Wages to Minimum Wage
 - The Governor's 2010-2011 proposed budget assumes savings of \$271.8 million GF by capping state participation in IHSS wages and benefits to the state minimum wage of \$8.00 per hour plus up to \$0.60 an hour for health benefits.
 - This proposal would reduce state wage and benefit participation from the current \$12.10 an hour to \$8.60 an hour.
 - This proposal will affect approximately 46 counties that have negotiated wages above the minimum wage.
 - The proposal would become effective 90 days after enactment of the budget (assumed March 1, 2010, June 1, 2010 implementation).
 - A similar proposal, which reduced state participation in provider wages to \$9.50 an hour and benefits to \$0.60 an hour was enacted by the Legislature as part of the 2009-2010 Budget Act. However, implementation was blocked through an injunction issued by United States District Court for the Northern District of California in the case of Martinez et. al. v. Schwarzenegger.
- Limit IHSS Services to Recipients with the Highest Need
 - The Governor's 2010-2011 proposed budget assumes savings of \$882.8 million GF by restricting eligibility for the IHSS program to individuals with a Functional Index (FI) score of 4.0 and above. These are individuals with the highest assessed needs.
 - Based on an individuals' assessed level of need, an individual is assigned a rank in each of 11 activities of daily living such as meal preparation, shopping for food, etc. A weighted average of these rankings is calculated to determine the FI score.
 - The proposal would affect approximately 426,733 recipients.
 - 63,239 recipients with an FI score of 4.0 and above would continue to receive IHSS services.
 - This proposal would become effective 90 days after enactment of the budget (assumed March 1, 2010, June 1, 2010 implementation).

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- Interactions among the various reductions,
- The point at which ARRA funds are accounted for, and
- Finally, the impact on budgets in other departments is not included in this budget summary.

CHILD WELFARE SERVICES

- California provides GF support for county-run child welfare programs and responds to approximately 487,000 referrals for child mistreatment each year. Child welfare specialists at the county level respond to reports of possible abuse or neglect, provide prevention and early intervention services, address safety issues, and facilitate access to a broad range of services for families including food, health care, cash assistance and drug treatment.
- Currently, there are approximately 70,000 children and youth in foster care because they have been removed from their homes due to abuse, neglect or living in at-risk environments. Foster care includes placement with family members, foster family homes, foster family agencies, and group homes for those with behavioral or psychological challenges.
- Currently, there are approximately 9,500 children placed in Group Homes, 21,000 in Foster Family Agency placements, 24,000 with family members and 15,500 in Foster Family Homes.
- The majority of foster care providers are family caregivers who receive grants that average \$736 per child per month.
- CDSS is responsible for foster care payment rates for Foster Family Homes, Foster Family Agencies, and Foster Group Homes. These rates provide for the care and supervision needs of children placed in foster care.

2010-2011 BUDGET INCLUDES:

- ARRA Extension
 - The Governor's 2010-2011 proposed budget includes a reduction of \$26.8 million GF by assuming enhanced federal participation for an additional 6 months for California's Foster Care and Adoptions Assistance programs.
 - The extension would impact approximately 57,000 foster children and approximately 88,000 children in the Adoption Assistance Program.
 - This proposal would become effective January 1, 2011.
- Caseload Shift to Federally-Eligible Foster Care
 - The Governor's 2010-2011 proposed budget includes a decrease of \$86.9 million GF to reflect the assumption that all foster care cases be federally eligible for funding.

- In order to be eligible for federal funding, among other factors, the child and his/her family must have qualified for Aid for Families with Dependent Children (AFDC) as the program existed in 1996 the month the child was removed from the home. The 1996 AFDC income standard has never been adjusted for inflation. As a result, each year fewer and fewer children in California are eligible for federal foster care support.
- Approximately 40,000 children are receiving federal funding in foster care; 17,000 are in the state-only program; and some receive funding through CalWORKs.
- This proposal would become effective 90 days after enactment of the budget (assumed March 1, 2010, June 1, 2010 implementation).
- Fostering Connections to Success and Increasing Adoptions Act
 - Health Care Program for Children in Foster Care
 - The Governor's 2010-2011 proposed budget includes approximately \$12 million (\$3 million GF) to provide increased health care coordination for all foster children.
 - The federal government contributes 75 percent of funds for this program.
 - Locating Relatives
 - The Governor's 2010-2011 proposed budget includes \$2.9 million (\$1.3 million GF) to assist county social workers to locate and inform all adult relatives of a child placed into foster care, and inform them of their options to participate in the care of the child.
- Continued Investment in the Kinship Guardianship Assistance Program (KinGAP)
 - The Governor's 2010-2011 proposed budget includes approximately \$115.3 million to continue California's investment in KinGAP.
 - This program has long furthered the shared federal and state goal of securing stable and permanent placements with relatives who have assumed legal guardianship of an at-risk child.
 - In addition to providing permanent homes to children in foster care, the state KinGAP has avoided millions of dollars in federal foster care costs.
 - Approximately 14,600 children are projected to be served in KinGAP program in fiscal year 2010-2011.
 - California and many other states continue to actively advocate for federal funding for their existing KinGAP populations.

CASH AID TO THE AGED, BLIND AND DISABLED (SSI/SSP & CAPI)

- Supplemental Security Income/State Supplementary Payment (SSI/SSP) is a federal/state income program that provides a monthly cash benefit to low-income aged, blind, or disabled individuals or couples.
- SSI is a federally-funded benefit, SSP is state-funded and added on to the SSI benefit. The federal Social Security Administration (SSA) administers both SSI and SSP concurrently as one program in local SSA offices throughout California.
- The SSI portion of the total SSI/SSP grant is funded 100 percent federal funds. The SSP portion of the total SSI/SSP grant is funded 100 percent GF. The 2010-11 Budget appropriates \$8.9 billion for the SSI/SSP program (\$2.7 billion GF).
- California is one of 23 states that supplements the SSI payment for the typical aged individual living independently.
- In California, approximately 1.26 million children and adults receive monthly SSI/SSP assistance. Of that, 880,093 (69 percent) are disabled; 363,145 (29 percent) are aged; and 18,960 (2 percent) are blind.
- Recipients of SSI/SSP automatically qualify for Medi-Cal health care coverage, and may also qualify for IHSS.

2010-2011 BUDGET INCLUDES:

- Caseload increase
 - The budget proposes an increase of approximately \$53.1 million resulting from increased caseload.
- Eliminate the Cash Assistance Program for Immigrants (CAPI)
 - The budget proposes savings of \$107.3 million GF by eliminating CAPI.
 - CAPI is a 100 percent GF program that provides cash assistance to certain aged, blind and disabled legal non-citizens who are ineligible for SSI/SSP due solely to their immigration status.
 - CAPI provides monthly cash benefit of \$835 per month which is \$10 less than the SSI/SSP payment.
 - There are currently approximately 10,804 CAPI recipients.
 - This proposal would become effective 90 days after enactment of the budget (assumed March 1, 2010, June 1, 2010 implementation).
 - Only a few other states (Illinois, Maine, and New Hampshire) have a CAPI-like program.

- Reduce SSI/SSP payment standard to federal minimum
 - The budget proposes savings of \$177.9 million by reducing the SSP grant to the federally allowable minimum.
 - Approximately 1 million individuals receiving SSI/SSP grants will see their grants reduced to the minimum allowed under federal law, from \$845 per month to \$830, a reduction of \$15 per month.
 - This proposal would become effective 90 days after enactment of the budget (assumed March, 1, 2010, June 1, 2010 implementation).